



ATTORNEY GENERAL OF WASHINGTON

Public Counsel

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March 19, 2021

SENT VIA WUTC WEB PORTAL

Mark L. Johnson
Executive Director and Secretary
Washington Utilities and Transportation Commission
621 Woodland Square Loop SE
Lacey, WA 98503

Re: Avista Proposed Revision to Tariff WN U-28 Schedule 92, Low-Income Rate Assistance Program (LIRAP), to incorporate a Percentage of Income Payment Plan (PIPP), Arrearage Management Plan (AMP), and Past Due Payoff (DPD) into its tariff.
Docket UE-210077

Dear Mr. Johnson:

The Public Counsel Unit of the Washington State Attorney General's Office ("Public Counsel") respectfully submits these comments in advance of the March 25, 2021, Open Meeting. These comments are in response to Avista's filing of proposed changes to the Company's tariff WN U-28, Schedule 92, Low-Income Rate Assistance Program. Public Counsel appreciates the in-depth discussion and work that was put in through the Low Income Advisory Group, and Avista's efforts to elicit feedback from stakeholders.

The changes requested allows Avista to adopt long-term solutions to ease the energy burden for customers whose income is perpetually not enough to keep up with the rising costs of basic living and essential needs. Avista has seen that the COVID-19 pandemic has further magnified this need, and proposes that as a long-term approach to mitigating the potential for disconnection of vital energy services, an AMP, PIPP, and PDP be added as permanent offerings of LIRAP. Public Counsel believes these additional programs will assist the most vulnerable customers reduce energy burdens and reduce arrearages.

Public Counsel's Recommendation

Public Counsel recommends the Commission approve the revisions to Tariff WN U-28, Schedule 92 Low-Income Rate Assistance Program to incorporate a Percentage of Income Payment Plan, Arrearage management Plan, and Past Due Payoff into its tariff.

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A. Percentage of Income Payment Plan (PIPP)

The proposed PIPP would be available to residential customers with income levels at 0–50 percent federal poverty level (FPL). These customers are considered to be those in the lowest income bracket for whom general energy assistance does not fully alleviate energy burden. While the pilot program was for electric only customers, the proposed program includes natural gas and dual-fuel residential customers. Participating customers would receive a percentage discount to their bills, with the resultant amount due not exceeding six percent of annual income. The PIPP is not meant to be combined with additional assistance from LIHEAP or LIRAP, so when applying for assistance at the CAA the customer has the option to elect a benefit via LIRAP Heat/LIHEAP or they can choose to enroll in PIPP. Customers are automatically qualified for a two-year term. In the PIPP pilot, customers were removed from the program for missed payments, but this permanent PIPP, Avista proposes that they will remain in the program and instead be referred to the typical collections process. This approach will maintain the customers six percent energy burden per bill, keeping their monthly bills more manageable with the intent that the customer will be more likely to resolve the balance and avoid interruption of service. Lastly, Avista proposes a 94 percent discount benefit to customers who report zero income that enroll in the PIPP. Public Counsel fully supports this program and believes it will address the affordability of energy services for Avista's most vulnerable customers.

B. Arrearage Management Plan (AMP)

Public Counsel believes the AMP will provide a continued solution for customers who have accumulated arrears in amounts that are not sufficiently addressed by a grant program alone. The proposed AMP would be available to customers whose income is 51–200 percent FPL, and provides a benefit that covers 90 percent of a customer's arrears as an incentive for regular, on-time payments. It is offered to customers where energy and emergency assistance have been utilized, yet the customer still needs assistance with their unpaid arrears. The remaining 10 percent of the arrears the customer is responsible for will be spread out over a 12-month period, and for each on-time payment the customer makes on their portion of the arrears and their current bill, 1/12th of the arrears will be forgiven. It is available to a customer twice every seven years, with a maximum benefit of \$2,500. An enrollee will be terminated after two consecutive missed payments, but has the opportunity to re-enroll during the next program year if the previous arrearage balance is restored. Public Counsel believes this program will incentivize customers to practice regular payment behavior and reduce the burden that an arrearage places on customers while improving a customer's ability to pay current and future utility bills. Public Counsel fully supports this program.

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C. Past Due Payoff (PDP)

Lastly, the PDP is complementary to the PIPP, LIHEAP, or LIRAP heat to those at 0–50 percent FPL. It is a forgiveness grant intended to cover a customer’s full unpaid, past due balance up to \$2,500, therefore, giving customers in the PIPP and other programs a fresh start. Right now, Avista proposes to use carry-over funding from LIRAP, and anticipates it will have minimal impact on the overall LIRAP budget, as it is to be used in lieu of, rather than in addition to those programs. Public Counsel also fully supports this program.

Public Counsel appreciates the opportunity to submit these comments. If you have any questions about this filing, please contact Sarah Laycock at (206) 496-9989 or via e-mail at Sarah.Laycock@ATG.WA.GOV.

Sincerely,

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